

\_\_\_\_\_ CALENDAR

Agenda Item # \_\_\_\_\_

## AGENDA REPORT SUMMARY

**Meeting Date:** May 12, 2020

**Subject:** Level of Service (LOS) to Vehicles Miles Traveled (VMT) Policy Discussion with the City Council

**Prepared by:** Guido F. Persicone, Planning Services Manager, AICP

**Reviewed by:** Jon Biggs, Community Development Director

**Approved by:** Chris Jordan, City Manager

**Attachment(s):**

1. Hexagon Transportation Consultant PowerPoint Presentation

**Initiated by:**

City Staff

**Previous Council Consideration:**

Not Previously Considered

**Fiscal Impact:**

A \$25,000 dollar contract was processed so City staff could receive Vehicle Miles Traveled guidance from Hexagon Transportation Consultants, who has experience with this subject.

**Environmental Review:**

- This is exempt from CEQA pursuant to Section 15061(b)(3) as it can be stated with certainty that accepting a receiving policy direction from the City Council will not have a significant effect on the environment.

**Policy Question(s) for Council Consideration:**

- Following the presentation from the consultant, is there direction that the City Council would like to provide to City staff?

**Summary:**

- The City is required to change how it assesses transportation impacts through the environmental review process pursuant to SB 743 by July 1, 2020. The consultant will provide a broad overview of Vehicle Miles Traveled (VMT) and receive initial direction from the legislative body.

**Staff Recommendation:**

- To receive the presentation from the consultant and to provide initial direction to City staff.

---

**Reviewed By:**

City Manager

CJ

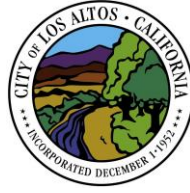
City Attorney

JH

Finance Director

SE

---



**Subject:** Level of Service to Vehicle Miles Traveled (VMT) Policy Change

---

## **Background**

Hexagon Transportation Consultants will be presenting the Level of Service (LOS) to Vehicle Miles Traveled (VMT) Policy overview as part of study session to provide background information for the City Council to consider.

In 2013, Senate Bill 743 was signed by Governor Brown. SB 743 directed the State Office of Planning and Research (OPR) to develop new California Environmental Quality Act (CEQA) guidelines and to replace Level of Service (LOS) as the evaluation measure for transportation impacts under CEQA with another measure such as Vehicle Miles Traveled (VMT). VMT measures the amount of vehicle trip making and trip length and is a direct measurement of greenhouse gas emissions. A reduction in VMT would promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses that reduces the reliance on individual vehicles.

By July 1, 2020, all California cities are required to update their transportation impact analyses from LOS to Vehicle Miles Traveled (VMT). Rather than treating traffic congestion faced by drivers as an environmental impact, this new metric instead considers distance traveled by vehicles as the environmental impact.

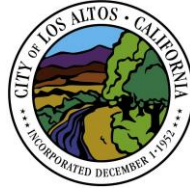
VMT is calculated by multiplying the number of vehicle trips that a proposed development will generate by the estimated number of miles driven per trip. While LOS often required wider roads as a mitigation measure, projects expected to induce significant increases in VMT will likely be able to mitigate their impacts through measures such as car-sharing services, unbundled parking, improved transit, and enhanced pedestrian and bicycle infrastructure.

OPR has posted video presentations explaining the rationale for the move away from LOS and towards VMT. Staff encourages Councilmembers to view these videos in order as they provide an excellent introduction to this topic:

- Problems with LOS – <https://tinyurl.com/Problems-with-LOS>
- Benefits of VMT – <https://tinyurl.com/Benefits-of-VMT>
- Methods for Land Use Projects – <https://tinyurl.com/Methods-for-Land-Use-Projects>

## **Discussion/Analysis**

To assist agencies in establishing a significance threshold and metrics for VMT analysis, OPR issued a guidance document, Technical Advisory on Evaluating Transportation Impacts in CEQA (<https://bit.ly/3e32RU9>). Staff derived many of the options for establishing a VMT threshold from this technical advisory document. Staff requests Council consideration in three key areas: 1. methodology; 2. metrics, screening criteria; and 3. thresholds



**Subject:** Level of Service to Vehicle Miles Traveled (VMT) Policy Change

---

### **Methodology/Metrics**

The City of Los Altos has discretion to select its preferred method for calculating VMT. The method used for setting VMT impact thresholds must be the same method used for project impact analysis. CEQA requires environmental analyses to reflect a “good faith effort at full disclosure.” Lead agencies should not truncate any VMT analysis because of jurisdictional or other boundaries, for example, by failing to count the portion of a trip that falls outside the jurisdiction or by discounting the VMT from a trip that crosses a jurisdictional boundary. Thus, where methodologies exist that can estimate the full extent of vehicle travel from a project, CEQA specifies that a lead agency should apply them. The following describes both a screening methodology and a quantitative VMT evaluation method.

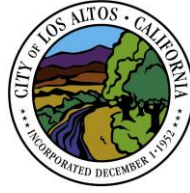
The Santa Clara Valley Transportation Authority (VTA) is leading the development of a web-based countywide Santa Clara Countywide VMT Evaluation Tool. This tool will provide the basis for identifying developments in Los Altos that would be located in a low VMT area and/or would be located in a transit priority area and could thus be screened out from preparing a quantitative VMT analysis. For projects that are screened out, the City would provide a qualitative discussion of the project characteristics that form the basis for determining that the project is presumed to have a less than significant VMT impact. The VMT screening would streamline the environmental review process by determining whether a project is likely to result in significant VMT impacts.

The VTA VMT Evaluation Tool would also be used to estimate the Project VMT for most common land use developments that do not meet the screening criteria. The tool will estimate a project’s potential VMT based on the project’s description, location, and attributes including proposed Travel Demand Management (TDM) measures. It is anticipated to be complete and available for use by July 1, 2020.

For very large developments, unique land uses, and projects that can potentially shift travel patterns, the VTA VMT Evaluation Tool would not be appropriate or adequate for the CEQA transportation analysis. In such cases, the VTA travel demand model should be used to develop quantitative VMT forecasts because it allows for a more complete accounting of all vehicle trips and trip lengths, and can produce estimates for the project’s cumulative impacts on VMT that account for changes in behavior. The models can also account for the potential induced travel effects of a project on VMT.

### **Screening Criteria**

The Office of Planning and Research (OPR) recommends a screening process for project types known to be low VMT generators. Projects that meet screening criteria can be determined to have a less than significant VMT impact without conducting a quantitative VMT analysis unless there is information



**Subject:** Level of Service to Vehicle Miles Traveled (VMT) Policy Change

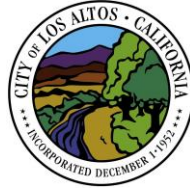
---

indicating that the project is unique in some way that determines it may not be a low VMT generator. The City could choose to screen out some, or all, of these project types to enable only a qualitative discussion in their associated CEQA documents. This assumes that cumulative VMT impacts are consistent with long-term air pollution and GHG reduction expectations. This screening approach would enable project streamlining by eliminating the need to prepare a quantitative analysis for low VMT-generating projects that meet the screening criteria. OPR's Technical Advisory document includes the following list of project types presumed to have a less than significant impact on VMT and that the City may choose to screen:

- Small Projects – Projects that generate or attract fewer than 110 trips per day. Based on research for small project triggers, this may equate to nonresidential projects of 10,000 square feet or less and residential projects of 20 units or less.
- Local-Serving Retail Projects – The City of Los Altos may also screen local-serving retail projects of less than 50,000 square feet, on the basis that they attract trips that would otherwise travel longer distances. Staff would evaluate both the project characteristics and the context of the project location to determine whether a given retail project is local-serving. Regional-serving retail projects would not be subject to screening.
- Local-Serving Public Facilities – Like local-serving retail uses, publicly owned or controlled facilities (e.g. branch libraries, community or senior centers, fire stations, and public elementary schools) produce very low VMT or replace trips to existing facilities without increasing trips outside of the area. Regional-serving facilities such as private schools and high schools would not be subject to screening.
- Transportation Projects-Transit projects, bicycle and pedestrian projects, and roadway projects that do not result in an increase in vehicle capacity or VMT.

### **Thresholds**

Threshold OPR's technical advisory document recommends thresholds that vary by project and land use type. The thresholds are generally based on applying Total VMT or VMT efficiency metrics. For residential and office projects, OPR indicates that a "per capita or per employee VMT that is 15 percent below that of existing development may be a reasonable threshold." The recommended OPR thresholds are based on substantial evidence that aligns CEQA transportation analysis to meet statewide targets for GHG emission reductions. The 15 percent VMT reduction target could be refined in the future to reflect GHG emission reduction goals. In order to align the City with current state VMT reduction targets before July 1, 2020, staff anticipates recommending the the City Council adopt initial thresholds for residential and office projects consistent with OPR's recommendations. OPR's recommendation to evaluate retail projects based on total VMT has been problematic when used in other jurisdictions due to the limitation of the travel demand model. Thus, it is recommended that retail projects be evaluated following the same methodology and threshold as office



**Subject:** Level of Service to Vehicle Miles Traveled (VMT) Policy Change

---

developments. For individual land use projects that are not screened out and require a quantitative VMT assessment, this would mean the following:

- Residential Projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide average home-based VMT per resident would indicate a significant transportation impact.
- Office and Retail Projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide average home-based work VMT per employee would indicate a significant transportation impact.
- Mixed-Use Projects – The City will evaluate each land use independently by applying the relevant threshold above.
- Other Project Types – The City will either develop an ad hoc (i.e., project-specific) VMT threshold for a unique land use type or apply the most applicable of the above thresholds depending on project characteristics.

### **Conclusion**

In conclusion, much work is needed to get the VMT policy completed. The goal for the May 12, 2020 meeting with the City Council is to provide background information related to VMT, and the three key areas moving forward with the preparation of a policy, namely: methodology/metrics, screening criteria, and thresholds. City staff look forward to receiving direction from the City Council as to the formation of this policy.

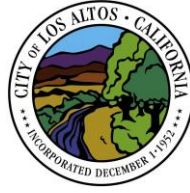
Some other Questions for Council consideration –

1. Should projects that would generate fewer than 110 daily trips be screened out?
2. Should the definition of local-serving retail be less than 50,000 square feet?
3. Should the impact threshold be 15% below the current citywide average VMT per resident and per employee?
4. Should an LOS policy be maintained?

### **Options**

- 1) Option #1 Provide direction to City staff regarding next steps.

**Advantages:** Clear direction from the City Council will ensure a timely preparation of a VMT policy which has to be implemented by July 1, 2020.



**Subject:** Level of Service to Vehicle Miles Traveled (VMT) Policy Change

---

**Disadvantages:** There is no disadvantage to City staff receiving clear direction from the City Council.

2) Option #2 The City Council declines to provide direction to Staff.

**Advantages:** None identified.

**Disadvantages:** There is no advantage to this and it may delay providing a policy for consideration by the City Council by July 1, 2020.

**Recommendation:** Staff recommends Option 1